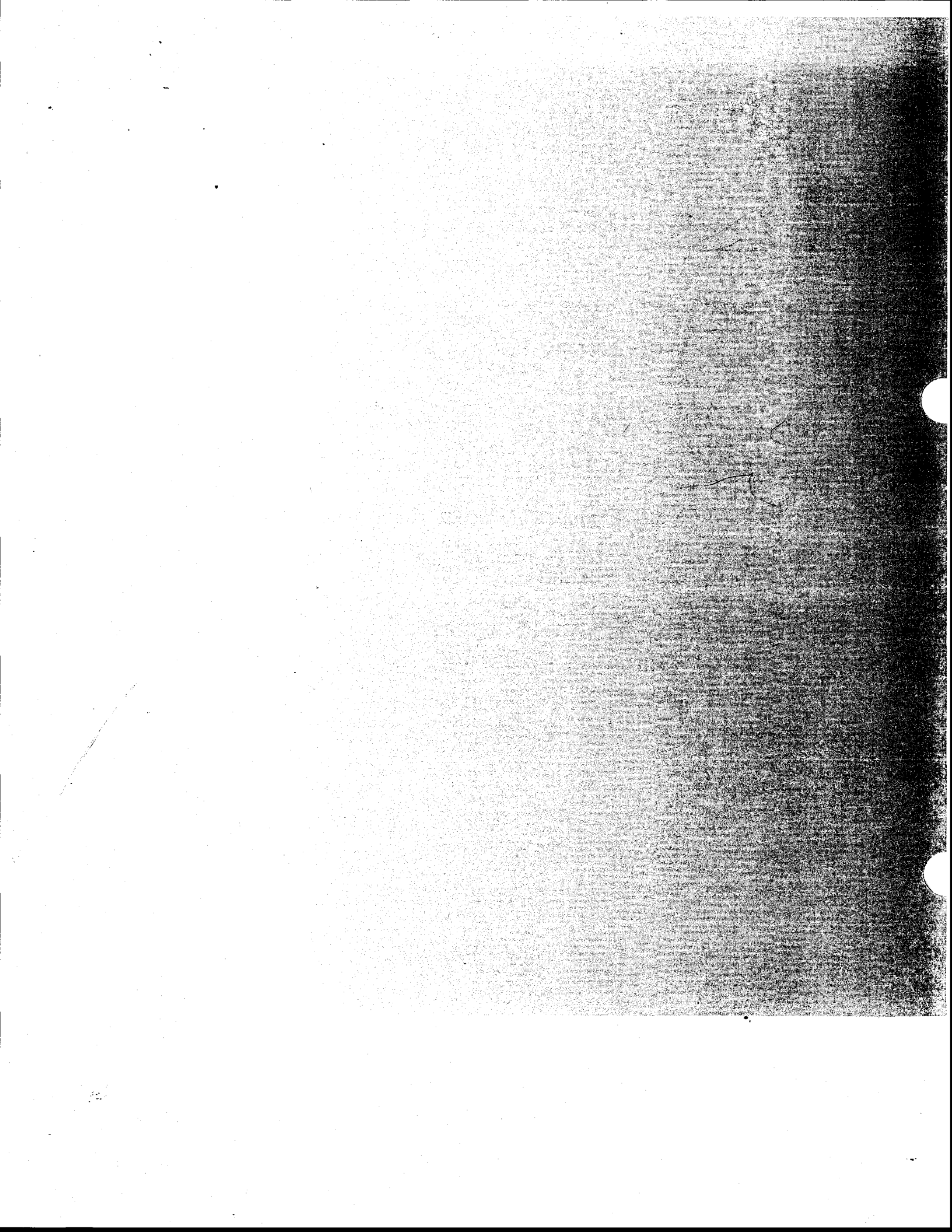
REPORT OF THE LEGISLATIVE STUDY COMMISSION ON ORGANIZATION AND DELIVERY OF PUBLIC HEALTH SERVICES IN NORTH CAROLINA

TO THE

1973 GENERAL ASSEMBLY



To The Members of the 1973 General Assembly

The Study Commission on Organization and Delivery of Public Health Services transmits herewith its recommendations for reorganization of public health services in North Carolina. These recommendations are made pursuant to Joint Resolution 116 which directed this Commission to "study any and all aspects of the planning and delivery of public health services in North Carolina" and to report its recommendations to the 1973 General Assembly.

This report represents the Commission's studied assessment of the organization and delivery of public health services in our state, our identification of the problems therein and our judgment as to the most efficacious means of dealing with them.

Representative Nancy Chase
Chairman

TABLE OF CONTENTS

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GENERAL ASSEMBLY OF NORTH CAROLINA

1971 SESSION

RATIFIED BILL

RESOLUTION 116

HOUSE JOINT RESOLUTION 1294

A JOINT RESOLUTION ESTABLISHING A STUDY COMMISSION ON THE ORGANIZATION AND DELIVERY OF PUBLIC HEALTH SERVICES IN THE STATE OF NORTH CAROLINA.

Whereas, public health services are among the most vital human services made available by state and local government; and

Whereas, there is considerable variation in the availability of public health services in various sections of North Carolina, and

Whereas, there is insufficient financial support for local health departments as they attempt to mount effective public health programs;

Now, therefore, be it resolved by the House of Representatives, Senate concurring:

Section 1. **Commission created.**—There is hereby created the Legislative Study Commission on Organization and Delivery of Public Health Services in North Carolina. The Commission is to make a comprehensive and thorough study of current State-local relationships and responsibilities for the protection of the public health of the citizens of North Carolina, including State and local financing of public health services.

The Commission is to conduct an in-depth study of relevant statutory bases and administrative practices currently existing in other states with particular attention to those in the southeastern region.

The Commission is hereby authorized to study any and all aspects of the planning and delivery of public health services in North Carolina and nothing contained herein is intended to limit the scope and authority of the Commission in its study and recommendations.

Sec. 2. **Appointment of members, composition and tenure of office.**—The Commission shall consist of 11 members and shall be composed as follows: Two members of the North Carolina Senate shall be appointed by the Lieutenant Governor and two members of the North Carolina House of Representatives shall be appointed by the Speaker of the House; seven members named by the Governor of which one shall be a local health director; one chairman of a board of county commissioners; one staff member of the North Carolina State Board of Health; one chairman of a local board of health; one consumer of local public health services; one physician in private practice; and one member to be chosen at the discretion of the Governor. Members of the Commission shall be appointed and shall take office on July 1, 1971,

or as soon thereafter as is practical, and each member shall serve until the termination of the Commission. If any vacancy occurs in the membership of the Commission, the Governor shall appoint another member to serve until termination of the Commission.

Sec. 3. **Duty of Commission.**—It shall be the duty of the Commission to make a comprehensive study of the planning and delivery of public health services in the State of North Carolina and to that end it shall report and submit its recommendations to the 1973 General Assembly of North Carolina along with any appropriate recommended legislation.

Sec. 4. **Organization of Commission; selection of chairman and vice-chairman; employment of professional and clerical staff.**—Upon its appointment and at its first meeting, the Commission shall organize by electing from its membership a chairman and vice-chairman. The chairman shall preside at all meetings of the Commission and in his absence, the vice-chairman shall act as chairman. The Commission is authorized to employ such professional and clerical staff and assistants as may be necessary to the performance and execution of its duties.

Sec. 5. **Gifts to Commission; grants to foundation.**—The Commission is authorized to receive and accept any gifts or grants made by an individual or corporation for the advancement of its work and the Commission shall appoint a treasurer to handle an account for all funds, both public and private, which are used in the furtherance of its study.

Sec. 6. **Expenses of Commission.**—The members of the Commission who are not officers or employees of the State shall receive a compensation equal to the per diem expenses provided for members of State boards and commissions generally, and shall be reimbursed for travel at the rate specified in G.S. 138-5(b).

In the event donations and gifts from foundations, individuals and corporations are not sufficient for the funding of the Study Commission, the expenses over and above such donations, gifts, and other sources shall be taken from the Contingency and Emergency Fund pursuant to the procedure prescribed in G.S. 143-12.

Sec. 7. **State agencies and institutions to cooperate.**—The Commission and its chairman may call upon any State agency and its staff and employees or institution to cooperate with it in its study and all such agencies or institutions as far as is feasible shall cooperate with the Commission in the carrying out of its duties.

Sec. 8.—**Termination of Commission.**—The Commission shall terminate upon the filing of its final report and recommendations with the 1973 General Assembly of North Carolina.

Sec. 9. All supplies and equipment purchased by the Commission from funds appropriated to the Commission by the General Assembly

shall become the property of the General Assembly when the Commission has completed its work or has ceased to exist. The chairman of the Commission shall, when the Commission completes its work or ceases to exist, deliver all such supplies and equipment to the Legislative Services Officer.

Sec. 10. This resolution shall become effective upon ratification.

In the General Assembly read three times and ratified this the 21st day of July, 1971.

RECOMMENDATIONS OF THE LEGISLATIVE STUDY COMMISSION ON ORGANIZATION AND DELIVERY OF PUBLIC HEALTH SERVICES IN NORTH CAROLINA

I. PROGRAMMING AND SERVICES

(a) Provision of Services

While the health of the citizenry is a primary concern of local and state government, present state law does not require that local governments make public health services available to their citizens. Rather, it simply permits them to do so. To remedy this defect and to assure that all citizens have the benefit of preventive health services as well as available primary care services we recommend:

Recommendation 1

Legislation be enacted requiring that every county, separately or jointly with other counties or by contracting with the state, make public health services available to its residents.

(b) Nature and Scope of Services

At present, the nature and scope of public health services provided at the local level varies greatly from unit to unit. Due to budgetary, personnel and other considerations, some local units provide lesser amounts and kinds of services than are necessary to assure and protect the public health.

Recommendation 2

Legislation should be enacted empowering the State Board of Health to set reasonable standards governing the services to be provided. Financial support should be provided, through the State Board of Health, to those local units complying with state standards.

II. POLICY MAKING BOARDS

Citizen Representation

As presently structured, local boards of health are composed primarily of representatives of local government and the health care professions. As the role of the local health department has expanded to include more primary health care and to touch more directly a larger part of the populace, the need and desirability of greater citizen input has increased accordingly.

Recommendation 3

Legislation should be enacted revising the composition of local boards of health to provide for greater consumer participation and inclusion of a broader spectrum of the community.

III. FINANCING

(a) General State Support

Under present funding practices, local governments bear the brunt of local health department expenses. The counties now provide 89% of all local health funds. Considering the poor economic condition of some of our counties and the competing demands for dollars, it is apparent that funding is inadequate. We believe that this inadequacy can only be remedied through the state's assuming a financial responsibility equal to that of the counties.

Recommendation 4

The Legislature should increase its appropriations to the State Board of Health to a level that will allow the state to become an equal partner with local government in the provision of public health services.

(b) Special State Personnel Aid and Support of Consolidation

As pointed-out below, it is the considered judgment of the Commission that both efficiency and economy can be achieved through regionalization of health services and consolidation of health units. The Commission has also determined that provision of quality services is hindered through use of a pay plan which allows personnel to be paid below state minimums, resulting in inability to procure and retain the best personnel available. Realizing that change over to larger units, conversion to state administration and rapid upgrading in pay entails expenses beyond the immediate ability of counties, we recommend:

Recommendation 5

The Legislature should enact a "Consolidation Health Personnel Support Act of 1973" appropriating $6,000,000 to be used exclusively to provide financial support to those counties consolidating their health services with those of other counties, to meet start-up expenses for those units converting to state administration and to aid counties in upgrading their pay scales to state minimums.

(c) Primary Care Reimbursement

Local health departments are now, and have been for some time, providing a number of primary health care services which

are reimbursable through medicaid for eligible providers. However, the Legislature has failed to include health departments in the social services budget so as to make health departments eligible for medicaid reimbursement.

Recommendation 6

The Legislature should include funds in the medicaid budget for reimbursement of local health departments for the provision of primary health care services and should specifically list health departments as providers.

IV. PERSONNEL

(a) Personnel Salaries

Qualified and dedicated personnel are the key to quality provision of public health services, as to any other endeavor. It is clear that the present pattern of paying health personnel below state minimums short circuits every attempt to provide better public health services. To correct this defect and to aid in the hiring and retention of quality personnel we recommend:

Recommendation 7

The Legislature should amend the State Personnel Act to prohibit counties from paying any class of county employees below the minimum specified in the state pay plan whenever state funds are made available to aid in meeting the salary costs of that class of personnel.

(b) State Confirmation of Local Health Director

As head of all local health personnel, the Local Health Director is a most important resource. Because of his importance in the overall state program as well as his key role in local operations, the State Board of Health should have some voice in his appointment.

Recommendation 8

Legislation should be enacted giving the State Health Director the power to confirm the appointment of the local health director.

(c) Non-Medical Health Directors

The Commission recognizes that local units will continue, in this doctor short era, to find recruitment of physicians to serve as health directors difficult. The committee believes that the selective use of non-medical health administrators with graduate training can help us through this period.

Recommendation 9

The Commission encourages the use of competent non-medical health directors when qualified medical directors are not available.

V. ORGANIZATION

(a) Option to Contract for State Delivery of Services

For many reasons — shortage of health personnel in the area, administrative convenience, and ease of maintaining uniform quality being prominent ones — local health units and the State Board of Health may agree that the Board can more efficiently provide public health services in a given area. Present law would not allow the State Board to directly provide local services.

Recommendation 10

Legislation should be enacted giving local units power to contract with the State Board of Health for state operation of local health departments, when this is desired by both parties.

(b) Consolidation of Provider Units

As do many other areas of health care delivery, public health services suffer due to inefficiency and economic waste resulting from fragmentation and duplication as too many small providers attempt to render services. This waste and duplication can be reduced by consolidation of counties into district health departments. Inasmuch as many counties have failed to make use of the present statutory authorization for district health departments, we believe that the permissive act should be supplemented by a mandatory one.

Recommendation 11

Legislation should be enacted empowering the State Board of Health to require local health departments to combine into districts when a department serves a population less than 75,000. The Board should be empowered to provide continuing financial support to such departments as well as provide change over funds from "The Consolidation and Health Personnel Support Act of 1973".

VI. EDUCATION AND TRAINING

(a) Continuing Education

Continuing advances and rapid changes in the natural and social sciences make it necessary to continually update and add to the education of public health professionals.

Recommendation 12

The School of Public Health of the University of North Carolina should (1) move promptly to establish its proposed Division of Community Health Services as a source of advice and assistance for public health personnel and (2) should explore the feasibility of expanding its continuing health education program to include employees of local health departments.

(b) Undergraduate Training

Presently, most professional training programs available in this state are graduate degree programs. Concern has now arisen among the professionals as to the proper role of undergraduate education in the training of public health personnel.

Recommendation 13

The School of Public Health should explore the feasibility and desirability of beginning practice oriented undergraduate training of public health professionals.

(c) Facilities

The Commission notes that the School of Public Health at the University of North Carolina at Chapel Hill has outgrown its physical plant. The Commission believes the public interest requires that the facility — one of only eighteen in the nation and two in the region — should be maintained as a first rate educational center and that adequate physical facilities are essential to the maintenance of the present excellent educational program.

Recommendation 14

The Board of Governors of the University of North Carolina should make expansion and improvement of the School of Public Health a priority item.

VII. PRIMARY HEALTH CARE SERVICES

The General Assembly's direction to the Commission was to study the narrow area of organization and delivery of public health services. The Commission quickly discovered, however, that the ordinary citizen's health concerns extend far beyond preventive services and environmental safety. Testimony heard, documents presented and the input of commission members all emphasized citizen concern with the entire system of primary health care delivery.

Recommendation 15

We recommend that the Governor appoint a special commission, having substantial consumer and user repre-

sentation, to study the entire primary health care delivery system. The commission shall study (1) hospitalization rate charges and practices, (2) drug pricing, (3) institutional care for the elderly and (4) desirability and feasibility of pre-paid services, among other aspects of health care delivery.

PERSONS WHO MADE PRESENTATIONS TO THE COMMISSION

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Community Health Division
State Board of Health

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Dr. M. B. Bethel, Director
Wake County Health Department

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Dr. Carl D. Killian, Senator
Jackson County

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Tyrrell, Washington, and Martin Counties

Mr. Howard Campbell, District Health Director
Pasquotank, Perquimans, Chowan, and Camden Counties

Mr. R. L. Martin, President
North Carolina Association of County Commissioners

Mr. Jerry Elliott, Director of Information
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Dr. Marjorie O. Strawn, Health Director
Caldwell County, Chairman, Legislative Committee
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Dr. John Glasson, President
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Dr. Mack I. Shanholtz, State Health Commissioner
State Department of Health, Richmond, Virginia

Dr. E. Kenneth Aycock, State Health Officer
State Board of Health, Columbia, South Carolina

Dr. Sarah T. Morrow, Director
Guilford County Health Department

Mr. Owen R. Braughler, Director, Sanitation Activities
Guilford County Health Department

A BILL TO BE ENTITLED AN ACT TO REWRITE G.S. 130-13 RELATING TO PROVISION OF PUBLIC HEALTH SERVICES AND TO COUNTY HEALTH DEPARTMENTS

The General Assembly of North Carolina enacts:

Section 1. G.S. 130-13 is hereby rewritten to read as follows:

"§130-13. **Provision of public health services.** Each county shall make public health services available to its residents. Counties may furnish services by operating a county health department, by contracting with the state for provision of services or by operating, jointly with other counties, a district health department.

§130-13.1(a). Where a county furnishes public health services by operating a county health department, the policy making body for the county health department shall be a county board of health composed of 11 members appointed by the board of county commissioners.

(b) The county board of health shall include:

(1) one licensed physician;
(2) one licensed dentist;
(3) one licensed pharmacist;
(4) one county commissioner; and
(5) seven persons appointed from the general public.

(c) The composition of the local board shall reasonably reflect the population makeup of the entire county.

§130-13.2. **Terms and transition.** Members of county boards of health shall serve three year terms; but no board member may serve more than three consecutive three-year terms.

The terms of all members of a county board of health holding office on the date of the passage of this act shall expire on the same date they would have had this act not been passed. Upon expiration of these terms, their successors shall be appointed to terms of three years and until their successors have been appointed and qualified. At the expiration of the term of the board member now holding office whose term first expires, the board of county commissioners shall appoint his successor, one county commissioner, and enough other persons to bring the membership of the board to eleven. The county commissioners may appoint persons to fill vacancies from time to time.

§130-13.3. **Rules and procedure.** The county board of health shall elect its own chairman, annually. The county health director shall serve as secretary to the county board of health. A majority of the members shall constitute a quorum.

§130-13.4. **Status of employees.** Employees of a county health department shall be deemed county employees."

Sec. 2. This act shall become effective upon ratification.

A BILL TO BE ENTITLED AN ACT TO REWRITE G.S. 130-14 RELATING TO DISTRICT HEALTH DEPARTMENTS

The General Assembly of North Carolina enacts:

Section 1. G.S. 130-14 is hereby rewritten to read as follows:

(a) Under rules and regulations established by the State Board of Health, district health departments including more than one county may be formed in lieu of county health departments upon agreement of the boards of county commissioners and local boards of health having jurisdiction over each of the counties involved.

(b) Where a county has a population less than 75,000 the State Board of Health may require the health department of that county to become part of a district health department composed of several counties if, in the opinion of the board, the public interest and the delivery of public health services to all the people of the new district would be enhanced thereby.

(c) Where counties offer public health services through a district health department, the policy-making body shall be a district board of health composed of 15 members. The board of county commissioners of each county in the district shall appoint one county commissioner to the board. The appointed commissioners shall appoint the other members of the board in such a manner as to provide for equitable district-wide representation.

(1) In addition to the county commissioners appointed, the district board of health shall include:

(a) one licensed physician;
(b) one licensed dentist;
(c) one licensed pharmacist;
(d) enough other persons appointed from the general public to bring the number to fifteen.

(2) The composition of the district board of health shall reasonably reflect the population makeup of the entire district.

Sec. 2. **Terms and transition.**

Members of district boards of health shall serve terms of three years but no board member may serve more than three consecutive three-year terms on the board.

The terms of all members of district boards of health holding office on the date of the passage of this act shall expire on the same date as they would have had this act not been passed. Upon expiration of these terms their successors shall be appointed to terms of three years and until their successors have been appointed and qualified. At the expiration of the term of the board member now holding office whose term first expires, the county commissioners of all the counties in the

district shall appoint his successor and a sufficient number of persons to bring the membership of the board up to fifteen. These appointments shall be made in the following manner: first, one county commissioner from each county in the district shall be appointed to terms of two years each. Such additional persons as are necessary to bring the board membership to fifteen shall be appointed to terms of three years each.

Sec. 3. **Rules and procedure.** The district board of health shall elect its own chairman annually. The district health director shall act as secretary to the board. A majority of the members shall constitute a quorum.

Sec. 4. **Appointment to boards in new districts.** Upon the formation of a new district health department, the boards of county commissioners of all counties in the district shall appoint one commissioner from each county to the district board. These appointees shall then appoint a sufficient number of persons to bring the membership of the board to fifteen. The appointments shall be staggered thusly: two persons shall be appointed for one year, two for two years, two for three years and the remainder for terms of four years. Thereafter all appointments shall be for three years.

Sec. 5. Notwithstanding any provision of G.S. 130-14.1, no district health department established under G.S. 130-14(b) shall be dissolved without the prior written approvel of the State Board of Health.

Sec. 6. This act shall become effective upon ratification.

A BILL TO BE ENTITLED AN ACT TO PROVIDE FOR STATE OPERATION OF LOCAL PUBLIC HEALTH DEPARTMENTS

The General Assembly of North Carolina enacts:

Section 1. G.S. 130 is hereby amended by inserting therein a new section to be designated G.S. 130-14.2 and to read as follows:

Subject to the approval of all boards of county commissioners having jurisdiction, county and district boards of health are empowered to enter into contracts with the State Board of Health for the furnishing of services required by this article when, in the opinion of the State Board of Health and the local board of health of any county or district, special problems or special projects arise which could be handled more advantageously by direct state provision of local public health services.

Sec. 2. Whenever a county or a district contracts with the State for provision of public health services, the policy making board for the health department shall be appointed and constituted as provided by G.S. 130-13 in the case of county departments and as provided by G.S. 130-14 in the case of district departments.

Sec. 3. This act shall become effective upon ratification.

A BILL TO BE ENTITLED AN ACT TO PROVIDE FOR REGULATION OF LOCAL HEALTH SERVICES

The General Assembly of North Carolina enacts:

Section 1. G.S. 130-9 is hereby amended by adding a new subsection to be designated subsection (e).

"The State Board of Health shall have power, in the best interests of the public health, to establish reasonable guidelines governing the nature and scope of public health services rendered by local health departments. The Board may provide financial support to units complying with these guidelines."

Sec. 2. This act shall become effective upon ratification.

A BILL TO BE ENTITLED AN ACT TO PROVIDE FINANCIAL SUPPORT CONSOLIDATION OF PUBLIC HEALTH SERVICES AND UPGRADING OF PUBLIC HEALTH PERSONNEL

The General Assembly of North Carolina enacts:

Section 1. This act shall be known and may be cited as the "Consolidation and Health Personnel Support Act of 1973."

Sec. 2. The General Assembly finds and declares that economic waste and poor quality of services has resulted from the fragmentation of public health provider units and from the inability of some local governmental units to offer competitive salaries to public health personnel. The General Assembly further finds that conversion to larger provider units and upgrading of pay scales for public health personnel is urgently needed in order to provide essential services and procure competent personnel to protect the health of the citizenry. Recognizing that consolidation of providers and rapid upgrading of salaries involves expense beyond the ability of many counties, the General Assembly intends, hereby, to provide the necessary financial support to achieve consolidation and salary upgrading.

Sec. 3. There is hereby appropriated from the General Fund of the State of North Carolina $6,000,000 dollars to the North Carolina State Board of Health to be used, in its discretion, to offset start-up, change over and other expenses of local units who consolidate or are required to consolidate their health services or who contract for direct state provision of services as provided by law and to help counties in upgrading the salaries of public health personnel.

Sec. 4. This act shall become effective upon ratification.

A BILL TO BE ENTITLED AN ACT TO EMPOWER THE STATE HEALTH DIRECTOR TO CONFIRM THE APPOINTMENT OF LOCAL HEALTH DIRECTORS

The General Assembly of North Carolina enacts:

Section 1. G.S. 130-18 is hereby amended by inserting between the word "director" and the word "meeting" as the same appear in the second line of said section the following: ", subject to the approval of the State Health Director".

Sec. 2. This act shall become effective upon ratification.